

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DEPARTMENTAL PERSONNEL MANUAL SYSTEM

DPM LETTER: 890-2

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SUBJECT: Civil Service Retirement Spouse Equity
Act of 1984 (Public Law 98-615)

DATE: OCT 14 1986

This supersedes DPM Letter 890-1, dated June 30, 1986.

The Office of Personnel Management (OPM) regulations on the Federal Employees Health Benefits Program--Civil Service Retirement Spouse Equity Act of 1984 (Public Law 98-615)--require agencies to enroll and collect payment from eligible spouses who apply.

The responsibility for administering the program within the Department lies with the personnel, accounting and payroll offices. In order to implement the program in the most cost-effective manner with the least administrative burden, the Department has elected to centralize the accounting and payroll office functions. The personnel functions are to be accomplished by each Operating Administration's personnel office. The accounting and payroll portions of the program are to be accomplished centrally by the Federal Aviation Administration (FAA), specifically, the FAA Southern Region, located at the following address and telephone number:

Federal Aviation Administration
Southern Region (ASO-22C)
P.O. Box 20636
Atlanta, Georgia 30320
FTS 246-7603 or (404) 763-7603

Each Operating Administration's personnel office is responsible for (1) determining former spouses' eligibility and processing enrollment documents; (2) notifying eligible spouses of open season options; and (3) issuing cancellation notices, when required, for nonpayment of premiums or loss of eligibility.

The FAA accounting office is responsible for receiving and processing premium payments from former spouses. The FAA payroll office has responsibility for processing and transmitting the payment documents to the Office of Personnel Management.

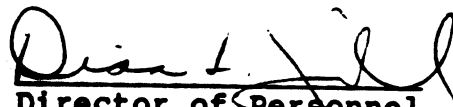
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To help clarify the Department of Transportation system for administering this program, Attachment 1 presents a flowchart to show the interactions among the offices of personnel and the FAA accounting and payroll offices. Please note that the Department has decided to use a monthly pay period as the basis for the payment schedule and that the revised interim regulations which went into effect May 28, 1986, set the effective date of coverage as the first pay period beginning more than 30 days after the employing office receives the application and proof of eligibility. We may not effect coverage sooner. This will mean that in some cases, coverage will not be effected for as long as 59 days. Attachment 2 is an explanation of screens that will be developed in October 1986 for input of data into the Consolidated Personnel Management Information System (CPMIS). Attachment 3 is a packet containing sample letters, a certification statement and a notice of payment terms to assist you in developing procedures which will allow for a smooth flow of information. Please assure that your internal procedures include forwarding copies of your acceptance letters and notifications of rate changes to the FAA Southern Region.

While you may set up whatever internal procedures you wish, it is important that you take responsibility for disseminating the information in the attachments, since you will be the primary point of contact with prospective enrollees. Questions may be addressed to John Budnik on 366-9443.


Director of Personnel

Attachments

CPMIS MODIFICATION

The Consolidated Personnel Management Information System (CPMIS) will be modified in November of 1986 to allow for input of information about former spouses eligible for health benefits coverage under the Spouse Equity Act. A separate file will be established in CPMIS to retain the data about the former spouse's enrollment. Two screens will be developed, one to record an initial enrollment, the other to record changes to the information about the former spouse and terminations of coverage. The initial enrollment screen will require input of the former spouse's social security number (SSN), name, effective date of coverage (EFF DATE), and health plan enrollment code (HB ENROLL). It will also include fields for recording the address of the former spouse to allow for retrieval of that data for purposes of mailing out Open Season information. The second screen will allow for update of the name, enrollment code or address. The required element will be the SSN, to identify the former spouse. The EFF DATE will also be required to update the HB ENROLL. The data stored in CPMIS about former spouses enrolled in health benefits plans will be compared with similar data stored in the Consolidated Uniform Payroll System (CUPS) on a biweekly basis. The comparison will be limited to the SSN, name, and enrollment code. The results will be reported on a separate document at the same time as the current CPMIS/CUPS Comparison Report.

ACCEPTANCE LETTER

Dear :

Your application for health benefits coverage under the Civil Service Retirement Spouse Equity Act of 1984 (Public Law 98-615) has been accepted. Coverage will begin effective _____. The first premium of \$_____ is due _____, and should be mailed to: _____.

Please mail your payments in time to reach the Office of Accounting by the first of each month. Failure to pay by the due date may result in cancellation of your coverage. Termination of enrollment for failure to pay premiums within established time frames is retroactive to the end of the last pay period for which payment has been timely received. If your enrollment is terminated for failure to pay, you may not re-enroll.

Generally during the Fall, but at least annually, the Federal Health Benefits Program holds an "open season" during which time enrollees may change to another plan, another option, or from self alone to self and family, or make any combination of these changes. You will be mailed open season information at the same time it is made available to other program participants.

If you have questions regarding premium payments, you should call the Office of Accounting at _____ or write to the address given above. Questions about coverage or changes in eligibility should be directed to this office.

Sincerely,

Notice of Payment Terms

Payments will be accepted from former spouses enrolling in the Federal Employees Health Benefits Program through the U.S. Department of Transportation under the Civil Service Retirement Spouse Equity Act of 1984 (Public Law 98-615) subject to the following provisions.

Payment terms are monthly.

No partial payments will be accepted, and prepayment is not allowed.

Payments must be mailed to be received by the first day of the month following the period for which a premium is due.

The first premium payment is due in full on the first day of the month following the effective date of coverage.

APPLICATION INFORMATION LETTER

Dear Madam/Sir:

Your application for health benefits coverage under the Civil Service Retirement Spouse Equity Act of 1984 (Public Law 98-615) has been received. To establish your eligibility for coverage, you must provide us with verification from the Office of Personnel Management (OPM) that you have future entitlement to a survivor's annuity or a portion of your former spouse's retirement annuity. To obtain this verification you should send a written request for a determination to OPM stating the basis for your entitlement. The request should contain as much of the following information as is applicable: A certified copy of the court order, the employee or retiree's name, date of birth, Social Security Number, Civil Service Retirement Claim Number (CSA#), last employing agency and date of retirement. Requests should be sent to the following address:

Office of Personnel Management
Compensation Group
Office of Retirement Programs
P.O. Box 17
Washington, D.C. 20044

OPM will determine your eligibility and send you a written decision. When you have received a confirmation of entitlement you should send a copy to this office, along with Standard Form (SF) 2809 with part A completed, a certified copy of the divorce decree and a statement certifying that you meet all the requirements for health benefits coverage. In this statement you will also be required to agree to notify us within 31 days of events resulting in failure to meet one or more of the requirements. A form for this purpose is provided in the enclosures. When we have received these certifications we will enroll you in the health plan you have chosen and send you instructions for paying your premium. Your coverage will become effective 30 days after the first day of the month following our receipt of the enrollment information.

Sincerely,

Enclosures: Federal Health Benefits Registration Form (SF 2809)
Statement certifying eligibility
for coverage
Notice of payment terms
Price list
Plan brochure

SAMPLE CANCELLATION NOTICE

Dear _____ :

Your coverage under the Federal Employees Health Benefits Program, _____ Insurance Plan _____, will terminate effective _____. Your failure to pay the scheduled premiums after proper notice is deemed a voluntary cancellation and you are ineligible for extended coverage for conversion privileges.

Former spouses enrolled under this program may not reenroll once cancelled. A copy of the cancellation form, SF 2810, is enclosed for your records.

Sincerely,

SPOUSE CERTIFICATION OF ELIGIBILITY FOR COVERAGE

I hereby certify that I meet all of the requirements for health benefits coverage under the Civil Service Retirement Spouse Equity Act of 1984 (Public Law 98-615).

I understand that I must notify the office maintaining my enrollment within 31 days of one or more of the following events and that the occurrence of any one of the events will result in termination of my coverage under the Federal Employees Health Benefits Program:

- (1) The court order ceases to provide entitlement to survivor annuity or portion of retirement annuity under a retirement system for Government employees.
- (2) I remarry before age 55.
- (3) I remarry the employee, separated employee, or annuitant on whose service my benefits are based.
- (4) Employee on whose service the benefits are based dies and no survivor annuity is payable.
- (5) Separated employee on whose service the benefits are based dies before the requirements for deferred annuity have been met.
- (6) Employee on whose service benefits are based leaves Federal service before establishing title to deferred annuity.
- (7) Refund of retirement monies is paid to the separated employee on whose service the health benefits are based.

Signature

Date

PA. MARSH/CITY OF PH. JR.